

**DEPARTMENT OF THE ARMY
CORPS OF ENGINEERS**

ORAL STATEMENT

OF

**LIEUTENANT GENERAL ROBERT B. FLOWERS
CHIEF OF ENGINEERS
U. S. ARMY CORPS OF ENGINEERS**

BEFORE

**THE SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
UNITED STATES HOUSE OF REPRESENTATIVES**

ON

**THE CIVIL WORKS PROGRAM BUDGET
FISCAL YEAR 2005**

FEBRUARY 26, 2004

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MR. CHAIRMAN AND DISTINGUISHED MEMBERS OF THE
SUBCOMMITTEE:

I am again honored to be testifying before you, along with the Secretary, on the President's Fiscal Year 2005 Budget for the Army's Civil Works Program.

INTRODUCTION

Today, thanks to this subcommittee's strong support, the Civil Works Program is balanced, responsive, and highly productive. I look forward to your continued partnership in this important program, so broadly beneficial to the Nation.

My complete statement covers more details on the Fiscal Year 05 program, including: the backlog, transforming the Corps, our business

management system and the Corps' overall the value to the nation's economy, the environment and the national defense.

With your permission, I will summarize some of the major points.

**SUMMARY OF FY05 PROGRAM BUDGET AND
THE VALUE OF THE CIVIL WORKS PROGRAM TO THE NATION'S
ECONOMY, ENVIRONMENTAL AND SOCIAL WELL-BEING**

First, a word about the President's Budget and the value of the Civil Works Program to the Nation's economy and the environment.

This budget funds the critical water resources infrastructure that has improved the quality of our citizens' lives and provided a foundation for the economic growth and development of this country. Our projects for navigation, flood protection, ecosystem restoration, hydropower generation, and recreation directly contribute to national economic well-being.

The sum of benefits, realized as reduced transportation costs, avoided flood and storm damages, and improvements in environmental value, is considerable.

I'd like to share some numbers with you that illustrate the direct effect of the civil works mission:

- ❑ First, The navigation program you fund enables 2.4 billion tons of commerce to move on navigable waterways. The US Department of Transportation estimates that these cargo movements have created jobs for 13 million people.
- ❑ Second, Corps flood damage reduction structures save lives and property loss. Taxpayers save \$21 billion in damages every year.
- ❑ And third, almost all of our construction work and over 50 percent of our civil planning and engineering is completed by private industry contractors funneling money directly into the economy.

This budget also includes funding to support watershed studies. These studies will allow us to work collaboratively with many stakeholders. With

the complexity of water problems today, we believe this is the direction we must take to develop the best, most comprehensive solutions.

CIVIL WORKS CONSTRUCTION BACKLOGS

Moving, now, to our backlogs. We estimate it will cost approximately \$11 billion to complete the construction projects funded in the FY 05 Construction, General budget.

On the maintenance backlog, we continue to be challenged as well. You can see from the numbers I just shared with you that the work the Corps is completing on our infrastructure is a critical element in a strong economy. Sustaining this level of service becomes more of a challenge as our infrastructure ages. The FY 05 budget includes \$1.926 billion for the Operations and Maintenance Program. I can assure you that I will continue to do all that I can to make these programs as cost-effective as possible.

CORPS TRANSFORMATION

Turning now to the issue of Corps transformation:

There are many interested in transforming the Corps—inside and outside of the organization. Some may have the larger goal of changes in current water policy in mind. Others may want us to operate more efficiently and effectively. What I'd like to make clear is that we're listening. I've met with individuals, industry groups and interest groups to hear what they have to say.

The Corps is undergoing sweeping changes as a result of our customer and stakeholder input. We are becoming a team of teams within the organization, focusing on eight regional business centers, which will more efficiently deliver service to the public and the armed forces.

Let me assure you, I'm committed to working with you and all who are interested and to doing all in my power to transform the Corps to meet the Nation's needs.

VALUE OF THE CIVIL WORKS PROGRAM TO THE NATION'S DEFENSE

And, finally, I would like talk to you about how proud I am that the Civil Works Program supports the National Security Strategy.

The Corps' civil works experience is proving invaluable as soldiers and civilians of the Corps of Engineers help to rebuild Iraqi infrastructure. To date, over 1,000 civilian members have volunteered to serve in Iraq, sharing their knowledge and expertise with Iraqi Engineers and other professionals assisting the Coalition Provisional Authority's and Combined Joint Task Force in repairing and rebuilding the Iraqi infrastructure.

CONCLUSION

In summary, the Corps is committed to staying at the leading edge in providing service to the Nation, and I truly appreciate your continued support to this end.

Thank you Mr. Chairman and Members of the Committee. This concludes my statement.